

INTERNAL CONTROL QUESTIONNAIRE (revised 9/23/02)

1. GENERAL	YES	NO	DON'T KNOW
a. Are accounting records kept up to date and balanced monthly?	___	___	___
b. Is a chart of accounts used to record and track all transactions?	___	___	___
c. Does the chart of accounts correspond to the budget?	___	___	___
d. Does the organization use a budget system to plan and track income and expenses?	___	___	___
e. Are adequate monthly financial reports available to the policy makers?	___	___	___
f. Is someone available to answer any questions about the financial report?	___	___	___
g. Are employees required to take annual vacations?	___	___	___
h. Is there a current Organizational Chart?	___	___	___
i. Do you know what MFRS stands for?	___	___	___
2. CASH RECEIPTS			
a. Who opens the mail? _____			
b. Who does the mail cash receipts before turning them over to the bookkeeper? _____			
c. Is all revenue entered into a cash receipts journal when it is received?	___	___	___
d. Is the cash receipts journal subsequently traced and balanced to the bank deposit?	___	___	___
e. Are over the counter receipts controlled by cash register tapes or hand receipts?	___	___	___
f. Are hand receipts numbered and accounted for?	___	___	___
g. Are revenues deposited daily? If not, when? _____	___	___	___
h. Are employees who handle funds bonded?	___	___	___

	<u>YES</u>	<u>NO</u>	<u>DON'T KNOW</u>
3. CASH DISBURSEMENTS:			
a. Are all payments made by check?	___	___	___
b. Are pre-numbered checks used?	___	___	___
c. Are two signatures required on checks? Whose? _____	___	___	___
d. Does any one sign checks before they are properly completed?	___	___	___
e. Does any one ever sign blank checks because they will be "out of town?"	___	___	___
f. Who approves check requests?	___	___	___
g. Are all void checks retained and accounted for?	___	___	___
h. Does the Administrator or Director review the bank reconciliation	___	___	___
i. Is the petty cash replaced by the same amount used?	___	___	___
4. ACCOUNTS RECEIVABLE			
a. Are customer ledgers used?	___	___	___
b. Are customer ledgers balanced monthly?	___	___	___
c. What percentage of enterprise accounts are more than 90 days late? _____			
d. If applicable, does the utility make any money? How much did it make _____ or lose _____ in the last fiscal year?			
e. Are Monthly statements sent to all customers?	___	___	___
f. Who approves write offs (uncollectable accounts)? _____ When was the last time this was done? _____			
g. Are time payment agreements reviewed by the policy making body?	___	___	___
h. Does anyone ever do an inventory? When? _____ Who? _____	___	___	___

DON'T
YES NO KNOW

5. Accounts Payable and Purchases:

- a. Are purchase orders used? ___ ___ ___
- b. Who makes out the purchase orders _____ ?
Who authorizes purchase orders _____ ?
- c. Who receives the goods shipped and verifies the order? _____

6. Payroll:

- a. Do the check signers check for the tax deposit check when signing payroll? ___ ___ ___
- b. Are payroll journals balanced? ___ ___ ___
- c. Does the use time cards, employee compensation cards, employee salary history, etc.? ___ ___ ___
- d. Who has access to personnel files: Title _____
- e. Are personnel files kept locked? ___ ___ ___
- f. Are time sheets approved and checked by the supervisor? ___ ___ ___
- g. Are time sheets signed by the employee? ___ ___ ___